



sent via EMAIL

June 13, 1995

R. C. Farmer
R. F. Kane
J. R. Loftin
B. G. Norman
J. P. Renehan
P. E. Schmidt
M. A. Young

SUBJECT: Special Retail Pricing Agreement

Attached is a new Forsyth contract entitled "Special Retail Pricing Agreement". This new contract is to be presented to mid-size retail chains that agree to carry one of our Forsyth distributor brands and feature that distributor brand as their everyday low price cigarette on an on-going basis.

This agreement is to be used to sign up new retail chains that want to carry their own private label brand but are not large enough to qualify for their own Forsyth private label. This contract should only be offered to retail chains that will sell a minimum of 5 cases per week of their distributor's Forsyth private label brand. This contract is not to be used for currently existing accounts that are already carrying a Forsyth distributor brand, or a Monarch or Best Value contract.

There are several advantages to the approach with this new agreement.

- ◆ Strengthen our partnerships with retail accounts by offering them special pricing for a distributor brand
- ◆ Strengthen our partnership with our distributors by helping them "sell" their private label brand
- ◆ Satisfy the needs of our retail customers for a private label brand without producing additional brands
- ◆ Maximize the volume potential of our current distributor brands

Under this new agreement, retailers will earn \$0.20 per carton for every carton they purchase of their distributor's Forsyth private label brand for a one year period. The retailer should understand that they will not have exclusive geographic rights to this distributor brand.

Dave Wilmesher
Area Vice President
Northeast Sales Area
910-741-2053
Fax: 910-741-4808

Handwritten notes:
R M
Lori Discuss MY
Chains w/o Vol 1/11
Foodtown - 21,773 (411)
Dug Fair - 17,745
Lincs - 3,014
Horse Ld - 7980
1529

Handwritten note:
Would need to avg 30,000 cases per week.

51850 6982

Special Retail Pricing Agreement

This contract should be distributed and explained to your Field Managers, based on the accounts targeted for this contract. The list of targeted accounts should be developed with your Forsyth National Account Manager. This contract will be handled like all other Forsyth contracts. Duplicate originals should be obtained from the account and sent to Gwen Scott (Reynolds 6, Mail Stop 10601) for processing. Jim Helm will sign both originals and one original will be returned to the account for their records.

Payments will be made quarterly by the Field Manager through TPS based on AIM data. The actual TPS payment procedures will be communicated under separate cover. These agreements should be reviewed quarterly, at a minimum, to ensure compliance with the everyday low price agreement and the 5 case per week standard.

Please let me know if you have any questions or need any further information.

Good Selling!

Dave

0127DW/di
Attachment

cc: J. R. Helm
J. V. Maguire
K. W. Noxon
G. C. Pennell
L. S. Schreiber
Directors of National Accounts
Jim Piscitelli
Mickey Jones
Don Fitzgerald

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